



High Needs Model Rate Increase Frequently Asked Questions

Why is the Division of Healthcare Financing (Division) implementing another increase to Comprehensive and Supports Waiver provider reimbursement rates?

The State of Wyoming's 66th Legislature passed [Senate File SF0001](#), which provides an additional \$3.2 million dollars to be appropriated "to developmental disability agency providers, as defined in the most recent developmental disability rate rebasing report."

What is the purpose for creating the agency provider designation?

The Division used the Comprehensive and Supports Waiver (DD Waiver) rate study, which was finalized in September 2021, as an opportunity to better understand independent providers' unique costs for service delivery. Survey responses from 170 providers who self-identified as independent providers revealed reported differences in costs incurred by independent providers and agency providers in areas related to administrative and benefit expenses.

The Legislature directed this rate increase specifically to agency providers only. Therefore, the Division had to designate a difference between agency and independent providers in the DD Waiver agreements in order to implement the upcoming rate increase. This designation was made for all services, even though rate increases will only be implemented for the services listed below.

What is the difference between an independent and an agency provider?

Independent providers do not designate wage rates and do not employ staff members other than themselves. In contrast to provider agencies, which have multiple employees, independent providers do not employ other people. Independent providers typically do not have a business tax identification number, but instead use their social security number as a business tax identification number.

An agency is a provider that employs one or more individuals other than themselves, and otherwise does not meet the definition of an individual provider.

Which services will be affected by the rate increase?

In response to the enacted budget bill, DD Waiver provider agencies will receive rate increases for the following services. These increases will not apply to participant-directed services.

- Adult Day Services - High Level of Care - 15 minute and daily billing units
 - These rates were not increased in February 2022.
- Community Living Services - Level 5 and Level 6
 - CLS Level 5 was increased by 5% in February 2022
 - CLS Level 6 was increased by 5.35% in February 2022

Why are these the only services that are receiving an increase?

The Wyoming Legislature specified that the increase is defined in the most recent rate rebasing report. The amount appropriated by the Legislature aligns with the difference between the 50th Percentile Model and the High-Needs Model that was presented in the Comprehensive and Supports Waiver SFY2023 Provider Rate Study Report (Rate Study Report). Accordingly, the Division is proposing to implement the High-Needs Model for agency providers. The services proposed to receive an increase are those targeted in the High-Needs Model.

The High-Needs Model acknowledges that the participants receiving this high level service tier require more experienced and knowledgeable staff, and takes that into consideration in the calculation of the service.

To review the Rate Study Report, visit <https://health.wyo.gov/healthcarefin/hcbs/hcbs-public-notice/> and scroll down to the *Statistics and Reports* section.

The Community Supports - High tier services are identified in the High-Needs Model. Why didn't these services receive an increase?

Based on the information received and analyzed during the DD Waiver rate study, the calculated rates for the Community Supports Services (CSS) - High tier actually decreased. However, the Division did not decrease these rates when new rates were implemented in February 2022. Even with the new rate methodology that would be applied as a result of the High-Needs Model, the calculated CSS rates would be lower than the rates that are currently in effect. Therefore, these rates are not proposed to increase.

Will the rates be the same for agency and independent providers for the same services?

No. Agency provider rates will be increased for the identified services. Independent providers will continue to receive the rates that went into effect on February 1, 2022.

Is there a reason the proposed rates do not match the High-Needs Model rates reflected in the costs study report?

Yes. As with CSS, the DD Waiver rate study revealed that several of the provider reimbursement rates in effect prior to February 2022 were actually higher than the rates calculated during the study. Since the Division did not decrease any of the rates when new rates were implemented in February 2022, the difference between the 50th Percentile Model and the High-Needs Model that is reflected in the Rate Study Report is somewhat different than the actual difference between the two models once the February 2022 rate increases were implemented. Additionally, the Division calculated the rates for the identified services based on the \$3.2 million dollar appropriation. While the appropriation aligned with the High-Needs Model, the calculated rates do not exactly match the rates proposed on the report.

What is the breakdown of agency providers versus independent providers?

An analysis of current DD Waiver providers indicates that independent providers make up approximately 58% of DD Waiver providers.

Will the State be leaving money on the table by not starting the new rates on July 1st?

The \$3.2 million appropriation is not one-time funding and is not tied to a specific date by which the money must be expended. Accordingly, the rate calculations assume payments across an entire fiscal year and are not prorated based on a projected implementation date.

What will be expected of agency providers once the agency rates are increased?

Unlike the February 2022 increase, the September 2022 rate increase is not tied to special funding; therefore, agencies are not required to pass the September 2022 increase on to their staff members. As always, agency providers are expected to meet service definitions and support and supervision needs identified in each participant's individualized plan of care (IPC).

Will agency providers automatically receive the rate increase?

No. If an agency provider failed to complete and submit the Attestation task in the Wyoming Health Provider (WHP) portal by July 31, 2022, their status will not be updated on September 1st, and they will not be eligible for the rate increase at that time. System updates will be run on the 15th of September and October. If the provider has submitted their attestation before the system updates, their status will be updated, if appropriate.

Once their status has been updated to an agency, the provider should notify the case manager that the agency service should be available as a choice for the participant. The case manager will then need to complete a modification to the participant's plan in order to add the agency service. **The Division will not backdate services to the date the provider's status changed.**

These updates and modifications do not affect the participant's services. These modifications simply allow agency providers to bill at a higher rate.

Will there be a change to the participant's individual budget amounts (IBAs)?

Yes. If the participant receives one of the four identified services from an agency provider, they will experience an increase to their IBA for their current IPC beginning on September 1, 2022. If they receive services from an independent provider, they will not see an increase in their IBA. This increase can only be used for these specific services meaning that, once the IBA has changed, IPCs cannot be modified in order to use the increase for a different service.

The participant's IBA will be adjusted if they choose a different provider type. For example, if they receive one of the services from an agency as of September 1st, and select an independent provider on October 1st, their IBA will be adjusted down to account for the independent provider rate. If they receive one of these services from an independent provider as of September 1st, and select an agency provider on October 1st, their IBA will be adjusted up to account for the agency provider rate.

The participant's IBA will be reflective of the number of service units that are currently on their IPC, so their purchasing power for these services will remain the same.

Will plan modifications be required?

If a participant is currently receiving one of the identified services from an agency provider, system modifications will take place to add the new agency service and new prior authorizations (PA) will be established. The IBA will be adjusted at that time. If the service is removed or the provider type changes, the case manager must notify the BES so the IBA can be adjusted accordingly.

However, if the provider did not complete the Attestation task in the WHP portal as required, the case manager will need to modify the IPC if the provider's status changes and the provider is eligible to receive the increased rate. Agency services will begin the date the modification goes into effect, and may not be backdated. The provider must work closely with the case manager after their agency's status has been determined and updated.